

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 30 September 2022

Third quarter 2022-07-01 – 2022-09-30

- The total income of the Group was TEUR 227 893 (TEUR: 200 067), an increase of 13,9%.
- The EBITDA of the Group was TEUR 55 943 (TEUR: 57 726).
- The operating profit of the Group was TEUR 42 802 (TEUR: 44 426).
- The profit before tax of the Group was TEUR 43 139 (TEUR: 43 950).
- The profit after tax of the Group was TEUR 33 037 (TEUR: 32 504).
- Earnings per share amounted to EUR 2,48 (EUR: 2,44).

Period 2022-01-01 – 2022-09-30

- The total income of the Group was TEUR: 563 649 (TEUR: 458 601), an increase of 22,9%.
- The EBITDA of the Group was TEUR: 110 042 (TEUR: 103 055).
- The operating profit of the Group was TEUR 70 928 (TEUR: 66 227).
- The profit before tax of the Group was TEUR 73 945 (TEUR: 64 656).
- The profit after tax of the Group was TEUR 54 881 (TEUR: 44 921).
- Earnings per share amounted to EUR 4,12 (EUR: 3,37).

Events after period closing:

No significant events after period close are noted.

Holding of own shares

As per 2022-09-30 the company holds 132 337 B-shares representing 0,98 % of the capital. During Q3 3 215 B-shares were purchased.

Financial information

www.fenixoutdoor.se/investerare/rapporter

The report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation rules. The information was provided by the contact person stated below, for publication November 2nd, 2022 at 13 00.

Contact person Martin Nordin, Executive Chairman +41 797 99 27 58

COMMENTS BY THE EXECUTIVE CHAIRMAN

A reasonable quarter given the circumstances.

The third quarter is the first quarter this year where we can make a reasonable comparison to the numbers last year, due to Q3 2021 not being as affected by Covid as the two first quarters last year. During Q3 2022, we continued to grow, and our total sales went from 197.6 MEUR to 224.2 MEUR which amounts to a growth of 13%. Which is reasonable. In June and July sales in the retail part of the business was not ideal due to the extremely warm weather in many markets in Europe, as well as consumers being more interested in travelling to even warmer climates. In August most markets showed an improvement caused by the colder weather arriving.

The operating profit for the total group was 42.8 MEUR compared to 44.4 MEUR, which is a decrease of 4%. The gross profit in the quarter was negatively affected by one-time excess transportation costs of 2,6 MEUR as a reminiscence of Covid and the remaining effects of that. Furthermore, last year we still had some remaining subsidies in rent in Germany. In terms of costs, we are already facing rising costs in many areas, such as rent, salaries, IT etc. which means we will have to focus even more on costs going forward. Another financial effect, which started already in Q2, has continued; Our inventories are up. Due to the nature of our business, with an extremely long product life cycle, we have decided to use this fact in combination with our strong liquidity, to secure our ability to deliver goods timely in 2023. This allows us to secure prices and transport costs (e.g., cost of goods sold) extensively, to enable us to maintain margin while limiting price increases as much as possible towards our highly valued customers within our Brands and Global Sales divisions.

Frilufts

Frilufts grew 2% from 94.7 MEUR to 96.8 MEUR, primarily driven by Globetrotter in Germany. The Scandinavian markets, except Denmark, showed negative growth. We believe that the reasons for the less than stellar performance in sales was caused by three things; the extremely warm weather in most of Europe, less “outdoor activity” meaning people travelled more, and a return to more price pressure in the market due to high inventories by some retailers.

The decrease in sales in some markets, the differences between the markets, as well as this year we did not receive any rent subsidies in Germany, meant that the operating profit was down from 10.6 to 6.7 MEUR

Brands

The brands division did increase sales from 48.8 MEUR to 62.2 MEUR, an increase of 27%. The growth was driven by further recovery following the cleaning of the sales channels in Germany for Fjällräven as well as the extreme growth of Hanwag. The operating profit increased from 24.7 to 27.1 MEUR which was 10% up. There was above normal transportation cost associated with this, affecting the gross margin with 2.6 MEUR. We also have an increase in more permanent costs related to salaries as well as IT, which is expected to increase over time due to the inflationary pressures. In terms of the brands, Hanwag showed record sales and profit for the quarter, which means Hanwag has been able to more permanently capitalize having moved all production back to Europe, which was planned pre Covid and executed during. This has led Hanwag to reaching a whole new size within the footwear market.

Global Sales

Global Sales increased sales from 54.1 to 65.2 MEUR an increase of 21%.

In terms of these numbers, we showed above average growth in Asia Pacific with 51%. Furthermore, we showed above average growth in North America despite it being a more volatile market, where the beginning recession and large inventories led to some cancellations of fall orders. We also faced some delayed orders, as well as some supply chain problems in Canada leading to delayed deliveries, meaning that sales should recover in Q4. Thus, we saw a reasonable development in sales.

The operating profit was 15.4 compared to 11.2 MEUR last year, an increase by 37%. A very good performance based on very good cost control and efficiency.

North America

As mentioned earlier, North America showed very good growth and reached record sales. However, our expectations were higher, based on a very strong order book for the fall. Due to the economic situation in the world, we did face, as mentioned above, some cancellations and postponements of deliveries. Furthermore, we had challenging supply chain problem in Canada. Overall, we have a generally positive view on the North American operation which is supported by our sales numbers within direct-to-consumer and digitally, which indicates that we still have room to grow nicely. Our product portfolio is developing into a much more diversified and balanced portfolio, leading to an improved offering for the needs in the North American market.

Digital

Our total consumer digital business continued to grow and in Q3 by 11.7% compared to last year. In Q3 it stood for 16.8% of our total sales, compared to 17.1% last year, and 30.3% of our direct-to-consumer sales compared to 28.4% last year. On a rolling 9-month basis, our digitals sales amounts to an estimated 99,1 MEUR compared to 100,2 MEUR last year. We believe that we will see a monetary growth in this going forward. As we are now experiencing a situation more like pre-Covid, we believe the move towards more digital sales will continue, although at a slower rate.

Going forward Q3 sales

I have briefly explained the events of Q3 in numbers, going forward. I want to expand on how we view the short-term and long-term prospects and how we will attempt to act. First, we have used our good liquidity to secure goods and increasing inventory levels, securing both incoming prices and stability in the supply chain. The development for Q4 is hard to predict especially in Europe as the security situation is strange just as the energy situation. The energy situation is in particularly hard since if it gets really cold, we will not see this as positive things like we normally would, given that this year a cold winter will have a negative effect on the available money for the consumer. Another factor which is hard to judge is the impact of a recession. Normally a recession tends to be somewhat good for us due to consumer purchases normally shifting from travel to more stay-at-home activities. This is what just happened during Covid, so we are starting as an industry on a higher level.

However, it is not unlikely that we will be able to capitalize on all the new users as also historically in a recession people do not go for tryout products or brands, they go for brands they trust with higher quality. This means that we will gain, not only from new users but from a lot of people upgrading their try out purchases for more trusted brands. Thus, my/our conclusion is that we have an opportunity here, which among other things we can see is already happening in many markets.

How will we do that?

We strongly believe that we as a company live on the trust of our users, and this is where our CSR work comes into play. We always strive to act according to our managerial compass N(ature), E(conomy), S(ociety) and W(ellbeing). We do this because our values are what makes us strong (you can read more about the compass and the Fenix Way on our webpage). We are sure about our values, but we are not an activist company. We communicate our values and try to act in a measurable way to improve our selves, leading by example as the only thing we can change is ourselves. I need to point out that E in the compass is Economy

and that means that sometimes you must lose a battle to win the war, if you do not survive you give up the war. Let me share some examples on how we have acted lately and throughout Covid:

1. We have not cancelled any orders
2. We have reorganized without firing anyone but developed existing colleagues and hired new people.
3. We have not closed any shops for financial reason, but we have opened new ones and created new jobs in the countries we operate in
4. We have continued our focus on our supplier's wellbeing and ability to produce High quality products with minimal environmental impact. As an example, the Fjällräven G-1000 fabric is now 100% made from recycled polyester and organic cotton.
5. We have focused on securing the survival of our retail customers. Delivering to them as timely as possible despite the challenging supply chain keeping up supporting marketing and not changing terms of delivery.
6. We have climate compensated the extraordinary transports that was necessary due to the supply chain situation

In this new environment, reliability will be the key to success and we will continue this work. I have also been of the idea that it is better to spend money on improvements in these areas and do less talking, which makes it even more expensive. This has been successful in some markets whereas in other markets less so because communication in this area is more prevalent. So, we might have to increase our communications within the CSR area. Every year we assess our progress in many areas (You can find previous year's CSR Reports on our homepage) and therefore we can become more direct in our communication as we KNOW where we stand. This does not mean we will stop acting for real. We originally decided not to build solar cells on our new warehouse ops in Germany, since a lifecycle analysis of the CO2 impact, including service, production and disposal of equipment over a 25-year production cycle had higher CO2 impact than buying green electricity from the local supplier who did water and tidal. We have now decided to do that anyway. Reasons are that the circumstances have changed; the building is now 30,000 m2 instead of 10,000 m2 meaning better efficiency, the energy situation has developed so that we can get higher security in running the operation producing ourselves as well as better cost control. Like the pulp and papermills did back in the days up in northern Sweden, where I am from originally.

So, facing some new challenges I wanted to communicate that we are probably going to hit some bumps in the road, but I strongly believe we are very well positioned to take advantage of this new environment.

Best Regards

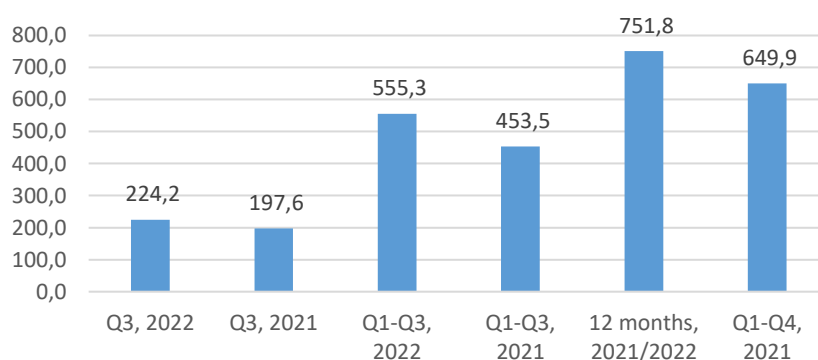
Martin Nordin, Executive Chairman

PS. We are still working on moving more production closer to market, although this is a major process. More updates on this will come.

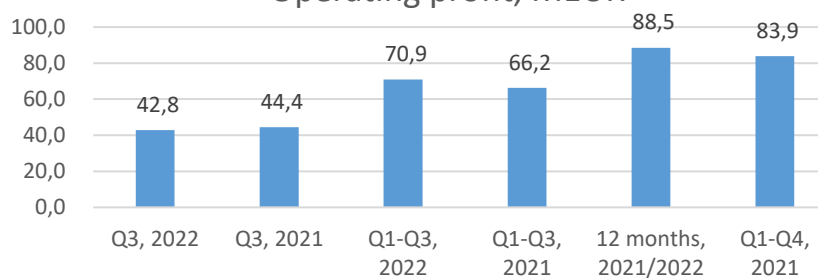
MEUR	July-Sept 2022	July - Sept 2021	Jan-Sept 2022	Jan-Sept 2021	Oct-Sept 2021/2022	Jan-Dec 2021
Net sales	224,2	197,6	555,3	453,5	751,8	649,9
EBITDA	55,9	57,7	110,0	103,1	142,3	135,3
Operating profit	42,8	44,4	70,9	66,2	88,5	83,8
Profit margin, %	19,1%	22,5%	12,8%	14,6%	11,8%	12,9%
Profit before tax	43,1	43,9	73,9	64,7	91,0	81,7
Net profit for the period	33,0	32,5	54,9	44,9	66,6	56,7
Earnings per share, EUR *)	2,48	2,44	4,12	3,37	4,99	4,25
Solvency rate, % *)			60,6%	57,3%		57,0%

*) Earnings per share are calculated on outstanding shares. Solvency rate are calculated as Equity as a percent of total assets.

Net sales, MEUR



Operating profit, MEUR



THE OPERATION

The Group is organized in three business segments: Brands, Frilufts and Global sales.

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag and Royal Robbins. It also includes Brand Retail (The E-com and monobrand operations of the Brands) and distribution companies concentrated on sales of one brand.
- In Frilufts, the retailers Naturkompaniet AB, Partioaitta Oy, Globetrotter Ausrüstung GmbH, Friluftsland A/S, Naturkompaniet AS and Trekitt are included.
- Global sales includes distribution companies selling more than one Fenix Outdoor brand.

The three business segments are supported by common functions for Management, CSR/CSO, Finance, HR, Legal, IT and Logistics.

Third quarter 2022-07-01 – 2022-09-30

	Brands		Frilufts		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	62,2	48,8	96,8	94,7	65,2	54,1			224,2	197,6
EBITDA, MEUR	30,1	28,3	13,8	17,2	16,0	11,8	-4,0	0,4	56,0	57,7
Operating profit, MEUR	27,1	24,7	6,7	10,6	15,4	11,2	-6,4	-2,1	42,8	44,4

External sales per market, MEUR	Brands		Frilufts		Global sales		Common		Total	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Switzerland					3,9	3,1			1,7%	1,6%
Sweden	5,8	4,9	20,8	22,7					11,9%	14,0%
Other Nordic countries	0,5	0,6	15,7	16,5	14,1	13,7			13,5%	15,6%
Germany	21,9	15,9	55,3	53,5					34,4%	35,1%
Benelux	7,2	5,5	0,1	0,1	3,1	1,5			4,6%	3,6%
Other Europe	5,2	4,1	4,9	1,9	16,3	12,5			11,8%	9,4%
Americas	21,1	17,3			19,1	14,3			17,9%	16,0%
Other World	0,5	0,5			8,7	9,0			4,1%	4,8%
Total	62,2	48,8	96,8	94,7	65,2	54,1	0,0	0,0	100%	100%

Period 2022-01-01 – 2022-09-30

	Brands		Friluft		Global sales		Common		Group	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	150,6	117,5	246,4	206,7	158,3	129,4			555,3	453,5
EBITDA, MEUR	63,0	52,5	21,4	23,5	28,8	24,5	-3,2	2,5	110,0	103,1
Operating profit, MEUR	54,0	44,0	0,4	3,9	27,1	22,9	-10,6	-4,6	70,9	66,2
Number of Stores	38	38	100	88	33	31			171	157
of which are franchise			2	1					2	1
Non-current assets	59,3	50,8	131,1	144,0	12,0	14,1	56,9	56,9	259,3	265,8
Cap. Expenditures	5,1	2,5	4,9	4,6	0,8	0,8	7,4	9,3	18,2	17,2

External sales per market, MEUR	Brands		Friluft		Global sales		Common		Total	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Switzerland					9,4	9,0			1,7%	2,0%
Sweden	13,7	12,3	50,4	54,4					11,5%	14,7%
Other Nordic countries	1,4	1,6	40,3	39,9	32,8	32,0			13,4%	16,2%
Germany	53,3	40,0	141,8	108,7					35,1%	32,8%
Benelux	15,6	12,8	0,3	0,2	9,9	7,4			4,7%	4,5%
Other Europe	11,4	9,9	13,6	3,5	34,9	27,0			10,8%	8,9%
Americas	53,1	39,6			39,8	28,2			16,7%	14,9%
Other World	2,1	1,3			31,5	25,8			6,1%	6,0%
Total	150,6	117,5	246,4	206,7	158,3	129,4	0,0	0,0	100%	100%

Fenix Outdoor's use of alternative key figures:

Fenix Outdoor provides a number of key figures in the summary on the front page of the interim report. The Group defines earnings before interest, tax, depreciation and amortization (EBITDA) as operating profit excluding depreciation and write-downs of tangible, intangible assets and Right-of-use assets. As EBITDA is affected by IFRS 16 the Group has decided to include it as an alternative key figure

THE OPERATION

Brands

		2022 (2021)		2022 (2021)
External net sales	Q3	62,2 (48,8) + 27,5%	Q1-Q3	150,6 (117,5) + 28,2%
Operating profit	Q3	27,1 (24,7)	Q1-Q3	54,0 (44,0)

The strong growth was highly affected by the increase in Germany, +38%, driven by a further recovery after the cleaning of the sales channels for Fjallraven as well as the very strong growth of Hanwag.

Frilufts

		2022 (2021)		2022 (2021)
External net sales	Q3	96,8 (94,7) + 2,2%	Q1-Q3	246,4 (206,7) + 19,2%
Operating result	Q3	6,7 (10,6)	Q1-Q3	0,4 (3,9)

The increase in sales was primarily driven by Globetrotter. The Scandinavian markets except Denmark showed negative growth. The markets were negatively affected by the extremely warm weather in most of Europe during the period, less “outdoor activity”/more “normal travelling and a return to more price pressure due to high inventories by some retailers. Costs were back on a more normal level, including no rent subsidies, which resulted in a lower operating profit vs last year.

Global sales

		2022 (2021)		2022 (2021)
External net sales	Q3	65,2 (54,1) + 20,5%	Q1-Q3	158,3 (129,4) + 22,4%
Operating result	Q3	15,4 (11,2)	Q1-Q3	27,1 (22,9)

Strong growth in Asia Pacific with 51%. Also, North America showed above average growth.

Common, Liquidity and financial standing

		2022 (2021)		2022 (2021)
Operating profit	Q3	-6,4 (-2,1)	Q1-Q3	-10,6 (-4,6)

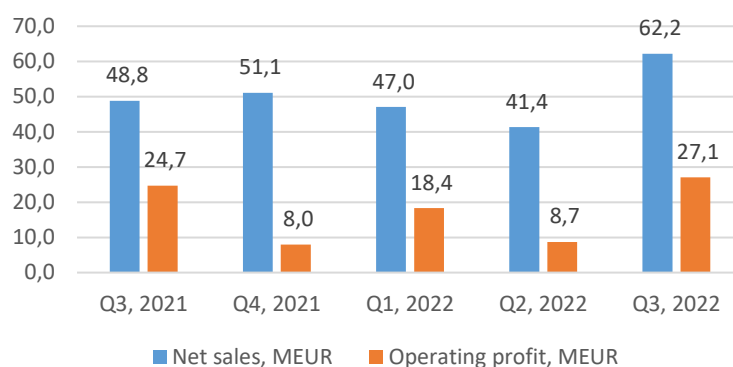
The lower result is attributed to higher offset for internal profit in stock - made on this level in the group. The inventory levels were increased to secure 2023 deliveries as well as to secure prices and transport cost.

The Group's financial position remains still very strong. Consolidated cash and cash equivalents amounted to MEUR 68,9 (MEUR: 123,1) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 29,3 (MEUR: 38,4). Lease liabilities amounted to MEUR 118,9 (MEUR: 128,2). Consolidated equity attributable to shareholders was MEUR 406,3 (MEUR: 369,0), corresponding to a solvency rate of 60,6% (57,3%).

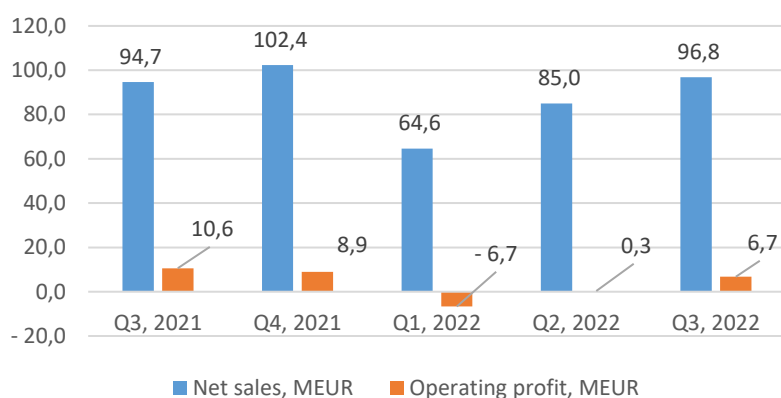
THE OPERATION

Net sales and operating result per segment

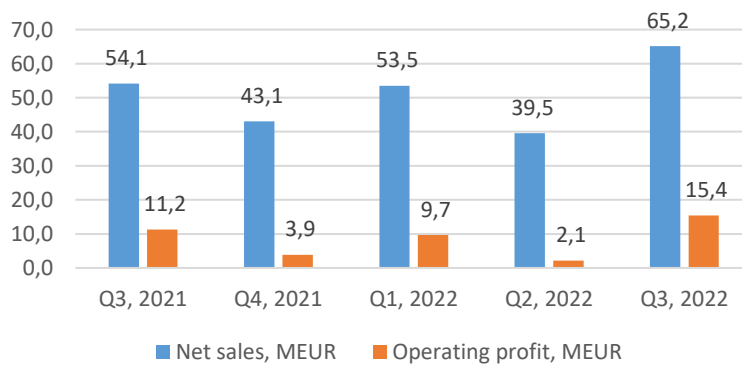
Brands



Friluft



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months *)		9 months		12 months *)	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2022	2021	2022	2021	2021/2022	2021
Net sales	224,2	197,6	555,3	453,5	751,8	649,9
Other operating income	3,7	2,4	8,3	5,1	11,5	8,3
Total income	227,9	200,1	563,6	458,6	763,3	658,2
Cost of goods	-96,7	-80,7	-238,1	-189,5	-319,6	-271,0
Other external expenses	-41,6	-33,0	-113,6	-83,8	-163,0	-132,8
Personnel expenses	-34,2	-28,7	-102,5	-82,7	-139,0	-119,3
Depreciation/amortisation	-13,1	-13,3	-39,1	-36,8	-53,7	-51,5
Result from participations in joint ventures	0,4	0,1	0,5	0,6	0,7	0,8
Other operating expenses				-0,2		-0,7
Operating expenses	-185,1	-155,6	-492,7	-392,4	-674,7	-574,5
Operating profit	42,8	44,4	70,9	66,2	88,5	83,8
Financial income	1,0	0,3	5,0	0,7	5,2	0,9
Financial expenses	-0,7	-0,7	-2,0	-2,3	-2,7	-3,0
Profit before tax	43,1	43,9	73,9	64,7	91,0	81,7
Income tax	-10,1	-11,4	-19,1	-19,7	-24,4	-25,1
Net profit for the period	33,0	32,5	54,9	44,9	66,6	56,7
Net profit for the period attributable to:						
Parent Company's shareholders	32,8	32,2	54,7	44,6	65,6	56,2
Non-controlling interests	0,2	0,3	0,2	0,3	1,0	0,5
Earnings per B share, EUR	2,48	2,44	4,12	3,37	4,99	4,25
Weighted average of outstanding shares, B, thousands	10 930	10 940	10 935	10 940	10 940	10 940
Weighted average of outstanding shares, A, thousands	24 000	24 000	24 000	24 000	24 000	24 000

Earnings per share calculated as, number of B-shares + 24 000 000/10 A-shares, as A-shares only qualify to a tenth of the dividend compared to B-shares. There are no outstanding options or convertibles which would result in a dilution.

*) 3 months and 12 months of historical data that are not included in auditors' review of the interim report.

FINANCIAL REPORT

Consolidated Statement of Comprehensive Income	3 months *)		9 months		12 months *)	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2022	2021	2022	2021	2021/2022	2021
MEUR						
Net profit for the period	33,0	32,5	54,9	44,9	66,6	56,7
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					0,4	0,4
Taxes					-0,1	-0,1
To be reclassified to the income statement in the future						
Change in translation reserve during the period	-4,8	0,6	-5,5	0,2	-4,6	0,7
Hedge accounting		0,5			0,4	
Taxes		-0,1			-0,1	
Total other comprehensive income for the period	-4,8	1,0	-5,5	0,3	-4,0	1,0
Total comprehensive income for the period	28,2	33,5	49,4	45,2	62,6	57,7
Total comprehensive income attributable to:						
Parent Company's shareholders	28,0	33,2	49,2	44,9	61,6	57,2
Non-controlling interests	0,2	0,3	0,2	0,3	1,0	0,5

*) 3 months and 12 months of historical data that are not included in auditors' review of the interim report.

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	30 Sept 2022	30 Sept 2021	31 Dec 2021
Assets			
Non-current assets			
Intangible fixed assets	47,4	49,3	49,7
Tangible fixed assets	78,0	72,9	74,1
Right-of-use assets	115,4	126,0	125,0
Other non-current assets	18,5	17,6	16,5
Total non-current assets	259,3	265,8	265,4
Current assets			
Inventories	237,4	163,5	152,6
Accounts receivable trade and other receivables	96,8	84,5	62,2
Prepaid expenses and accrued income	8,0	7,1	6,9
Cash and cash equivalents	68,9	123,1	181,9
Total current assets	411,1	378,2	403,6
Total assets	670,4	644,0	668,9
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	406,3	369,0	381,4
Non-controlling interest	-	0,1	-
Total equity	406,3	369,1	381,4
Liabilities			
Non-current liabilities			
Other non-current liabilities	16,4	16,2	15,5
Lease liabilities	88,2	101,0	99,3
Interest bearing liabilities	20,3	28,8	27,0
Total non-current liabilities	124,9	146,0	141,9
Current liabilities			
Other current liabilities	76,1	68,0	76,5
Lease liabilities	30,7	27,2	28,6
Interest bearing liabilities	9,0	9,6	9,1
Accrued expenses and deferred income	23,4	24,1	31,4
Total current liabilities	139,2	128,9	145,6
Total equity and liabilities	670,4	644,0	668,9

FINANCIAL REPORT

Statement of changes in Equity MEUR	Share capital	Other contributed capital	Cash flow hedge reserve	Foreign currency translation reserve	Treasury shares *)	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2021	12,4	39,8	-1,3	-3,3	-10,2	316,3	353,7	0,1	353,8
Net Profit for the period						44,6	44,6	0,3	44,9
Other comprehensive income for the period			0,1	0,1			0,3		0,3
Total comprehensive income for the period			0,1	0,1		44,6	44,9	0,3	45,2
Transactions with non-controlling interests						0,1	0,1	-0,3	-0,2
Dividends resolved at Annual General Meeting						-19,6	-19,6		-19,6
Dividends resolved at Extra General Meeting						-11,8	-11,8		-11,8
Transfer of cash flow hedge reserve to inventories			1,7				1,7		1,7
30-09-2021	12,4	39,8	0,6	-3,1	-10,2	329,6	369,0	0,1	369,1
01-01-2022	12,4	39,8	1,4	-2,7	-10,2	340,8	381,5	0,0	381,5
Net Profit for the period						54,7	54,7	0,2	54,9
Other comprehensive income for the period				-5,5			-5,5		-5,5
Total comprehensive income for the period				-5,5		54,7	49,2	0,2	49,4
Transactions with non-controlling interests						-0,1	-0,1	-0,2	-0,2
Purchase of own shares *)					-1,0		-1,0		-1,0
Dividends resolved at Annual General Meeting						-25,7	-25,7		-25,7
Transfer of cash flow hedge reserve to inventories			2,3			0,0	2,3		2,3
30-09-2022	12,4	39,8	3,7	-8,2	-11,2	369,8	406,2	0,0	406,3

*) As per 2022-09-30 the company owned 132 337 of own B-shares and as per 2021-09-30 the company owned 119 598 of own B-shares.

FINANCIAL REPORT

Consolidated statement of cash flows	9 months		12 months
	Jan-Sept 2022	Jan-Sept 2021	Jan - Dec 2021
MEUR			
OPERATING ACTIVITIES			
Net profit for the period	54,9	44,9	56,7
Income tax	19,1	19,7	25,1
Financial result net	-3,0	1,6	2,1
Depreciation for right-of-use assets	23,8	22,2	31,4
Depreciation/amortisation tangible and intangible assets	15,4	14,6	20,0
Adjustment for non cash items	-5,1	-0,9	0,2
Interest received	-0,8		-0,3
Interest paid	-2,0	-3,0	-3,0
Income tax paid	-29,7	-21,6	-14,4
Cash flow from operating activities before changes in working capital	72,6	77,5	117,8
Change in inventories	-84,8	-6,9	2,9
Change in operating receivables	-28,3	-31,3	-21,7
Change in operating liabilities	-2,7	2,5	19,7
Cash flow from operating activities	-43,2	41,8	118,7
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-3,9	-5,9	-8,0
Purchase of tangible fixed assets	-14,3	-11,3	-16,4
Sale of tangible fixed assets	1,0	0,2	0,4
Change financial assets		-0,8	
Dividend from joint ventures			1,3
Acquisition of subsidiaries, net of cash acquired		-11,4	-11,4
Sale of business (net of cash)			0,4
Settlement of loans		-0,6	-0,6
Sale of financial assets			-0,1
Cash flow from investing activities	-17,2	-29,8	-34,4
FINANCING ACTIVITIES			
Repaid borrowings	-6,6	-28,3	-30,4
Payment of lease liabilities	-25,1	-22,0	-31,6
Repayment of other long term liabilities			-1,1
Purchase of own shares	-1,0		
Dividends paid	-25,7	-31,4	-31,4
Cash flow from financing activities	-58,4	-81,7	-94,5
Change in cash and cash equivalents	-118,8	-69,7	-10,4
Cash and cash equivalents at beginning of year	181,9	191,1	191,1
Effect of exchange rate differences on cash and cash equivalents	5,8	1,7	1,2
Cash and cash equivalents at period-end	68,9	123,1	181,9

Notes to the financial report

Note 1 Accounting principles

Fenix Outdoor International AG is a listed company with its registered office in Zug, Switzerland.

This quarterly report is prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies adopted are consistent with those applied in the Annual Report for the year ended 31 December 2021 with the exception of new and revised standards and interpretations that become effective January 2022.

Note 2 Right of use assets

30.09.2022, MEUR	Brands	Frilufts	Global sales	Common	Total	30.09.2021, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	26,0	86,3	1,8	1,4	115,4	Right-of use assets	23,0	99,5	1,7	1,8	126,0
Lease liabilities	-28,2	-87,7	-1,7	-1,3	-118,9	Lease liabilities	-24,7	-100,3	-1,6	-1,6	-128,2

	Brands	Frilufts	Global sales	Common	Total		Brands	Frilufts	Global sales	Common	Total
Depreciation	-6,0	-16,2	-0,8	-0,8	-23,8	Depreciation	-5,8	-15,0	-0,6	-0,8	-22,2
Interest cost	-0,4	-1,1	0,0	0,0	-1,5	Interest cost	-0,4	-1,2	0,0	0,0	-1,6

Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Sept 2022	Jan - Sept 2021	Jan - Dec 2021	2022-09-30	2021-09-30	2021-12-31
SEK/EUR	10,5476	10,1557	10,1562	10,8993	10,1683	10,2503
CHF/EUR	1,0053	1,0912	1,0794	0,9561	1,0830	1,0331
USD/EUR	1,0532	1,1935	1,1808	0,9748	1,1579	1,1326
SEK/CHF	10,4921	9,3072	9,4094	11,3997	9,3890	9,9219

Note 4 Risks and Covid-19

The risk factors of the Group, presented in the last published annual report 2021, page 26, are still valid.

Note 5 Hedge accounting

	2022-09-30	2021-09-30	2021-12-31
Market value, TEUR	4 315	434	1 370
FX Forwards			
Purchased TUSD	35 300	28 200	47 200
Sold TEUR	32 758	23 844	40 175
Rate	1,078	1,183	1,175
Purchased TUSD	2 800	-	1 500
Sold TNOK	24 584	-	13 049
Rate	8,780	-	8,699

Note 6 Segment reporting – sales and operating result

The Group is organized in three business segments: Brands, Frilufte and Global sales. Fenix Outdoor International AG reports sales and operating result for the segments Brands, Frilufte and Global Sales. The internal monitoring of the operations takes place in this segmentation. Additionally, sales are divided into geographical areas.

	Brands		Frilufte		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	62,2	48,8	96,8	94,7	65,2	54,1			224,2	197,6
EBITDA, MEUR	30,1	28,3	13,8	17,2	16,0	11,8	-4,0	0,4	56,0	57,7
Operating profit, MEUR	27,1	24,7	6,7	10,6	15,4	11,2	-6,4	-2,1	42,8	44,4

(3 months data are not included in auditors' review of the interim report)

	Brands		Friluffs		Global sales		Common		Group	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	150,6	117,5	246,4	206,7	158,3	129,4			555,3	453,5
EBITDA, MEUR	63,0	52,5	21,4	23,5	28,8	24,5	-3,2	2,5	110,0	103,1
Operating profit, MEUR	54,0	44,0	0,4	3,9	27,1	22,9	-10,6	-4,6	70,9	66,2
Number of Stores	38	38	100	88	33	31			171	157
of which are franchise			2	1					2	1
Non-current assets	59,3	50,8	131,1	144,0	12,0	14,1	56,9	56,9	259,3	265,8
Cap. Expenditures	5,1	2,5	4,9	4,6	0,8	0,8	7,4	9,3	18,2	17,2

External sales per market, MEUR	Brands		Friluffs		Global sales		Common		Total	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Switzerland					9,4	9,0			9,4	9,0
Sweden	13,7	12,3	50,4	54,4					64,1	66,7
Other Nordic countries	1,4	1,6	40,3	39,9	32,8	32,0			74,5	73,5
Germany	53,3	40,0	141,8	108,7					195,1	148,7
Benelux	15,6	12,8	0,3	0,2	9,9	7,4			25,8	20,4
Other Europé	11,4	9,9	13,6	3,5	34,9	27,0			59,9	40,4
Americas	53,1	39,6			39,8	28,2			92,9	67,8
Other World	2,1	1,3			31,5	25,8			33,6	27,1
Total	150,6	117,5	246,4	206,7	158,3	129,4	0,0	0,0	555,3	453,5

Note 7 Outstanding options from acquisitions

From the acquisition of the Taiwanese distributor, Fenix Outdoor International AG has a right and an obligation through a put and call arrangement, where the price is based on a profit multiple, to acquire the remaining 30% of the company. The exercise period started on 30 June 2022 and ends 30 June 2027. The present value of the redemption is recognized as a short-term liability for the amount of MEUR 1,8 and the non-controlling are derecognized. The position is valued at each quarter closing.

Fenix Outdoor International AG acquired 2017 Alpen International. The agreement from 2017 includes put/call arrangements for the 25% non-controlling interests, exercisable in the period between 2020 and 2029 whereof 16,8 % were exercised in June 2020. The present value of the redemption amount is recognized as a short-term liability for the amount of MEUR 0,4 and the non-controlling interests are derecognized. The position is valued at each quarter closing.

Future changes in the options liabilities will be recognized in equity.

Note 8 Events after period closing

No significant events after period close are noted.

Note 9 Transactions with related parties

There have been no major changes in relations to transactions with related parties compared to 2021.

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Zug, November 2, 2022

The President certifies that this report gives a true and fair view of the Group's operations, position and results and describes the principal risks and uncertainties that the Company and the companies in the group are exposed to.

Alexander Koska
President

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Calendarium

Q4 report, February 9th, 2023

Report on the review of interim condensed consolidated financial statements

To the Board of Directors of
Fenix Outdoor International AG, Zug, org.nr CHE-206.390.054

Introduction

We have reviewed the interim condensed consolidated financial statements (consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the financial report), pages 11 to 19, of Fenix Outdoor International AG for the period from 1 January 2022 to 30 September 2022. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”.

Zurich, 2 November 2022

Ernst & Young Ltd
Roger Müller
Licensed Audit Expert
(Auditor in charge)

Roman Ottiger
Licensed Audit Expert